



State of Rhode Island and Providence Plantations
Water Resources Board Corporate
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Providence, RI 02903
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MINUTES OF BOARD CORPORATE MEETING #281
October 11, 2005

(Meetings of the Board Corporate convene immediately after the Board meetings.)

Members Present:

William Penn, V. Chairman
Frank Perry
William Stamp, III
June Swallow
Timothy Brown
Alicia Good*
Andrew Dzykewicz*
Jon Schock

Members Absent:

Daniel W. Varin, Chairman
Robert Griffith

*Member designee

Staff Present:

Juan Mariscal
Kathleen Crawley
Thomas Walker
Brian Riggs
Beverly O'Keefe
Rob Christina
William Riverio
Elaine Maguire

Guests:

Pasquale DeLise, BCWA

1. CALL TO ORDER

With a quorum present, Vice Chairman Penn called the meeting to order at 12:31 p.m.

2. APPROVAL OF MINUTES:

On a motion by Mr. Perry, seconded by Mr. Stamp, the Board unanimously approved the minutes of the September meeting.

3. CHIEF FINANCIAL OFFICER'S REPORT

Mr. Schock moved approval of the September CFO report with Mr. Brown seconding the motion. The motion carried unanimously

4. COMMITTEE REPORTS AND ACTION ITEMS RESULTING

A. Finance Committee—Mr. William J. Penn

- (1) Partridge, Snow & Hahn for legal services rendered through August 31, 2005. Requested payment: \$712.20; Recommended payment: \$712.20. Request for Approval

Mr. Schock stated that the Finance Committee had reviewed this payment request for routine legal services and moved approval of this payment request with a second by Mr. Stamp. This motion carried unanimously.

**B. Public Drinking Water Protection Committee—Chair Robert Griffith
(Concurrent with Finance Committee)**

A. Payment requests:

- (1) Harrisville Fire District – Wellhead Protection Land Acquisition Project; Town of Burrillville Map 160, Lot 194; Acreage 1.171 +/- Acres, Appraisal Value \$4,000.00, Purchase Price \$4,000.00. Requested Amount per Requisition # 2: \$4,000.00; Recommended payment: \$4,000.00. Request for approval

Mr. Perry explained that this was a well head acquisition land project and that this was a final payment for this item. It was the acquisition of a parcel of 1.171 acres within the well field area. The recommendation of the committee was that the full Board approve this request subject to the recording of the restriction perpetually limiting the property to conservation of a public drinking water supply and recording the stipulation agreement with the court of record. Mr. Perry moved approval with the noted restriction; Ms. Swallow seconded. Mr. Schock noted that the Finance Committee had also recommended approval. The motion carried with Mr. Stamp requesting that his objection to this purchase be noted in the minutes. He questioned the worth of spending so much administratively for such a small piece of land.

- (2) Harrisville Fire District – Wellhead Protection Land Acquisition Project – Associated Acquisition Costs per Requisition # 2 Requested payment: \$18,266.00; Recommended payment: \$18,266.00. Request for approval

Mr. Perry explained that this payment addressed the administrative costs of the previous request. The remaining eligible funds that Harrisville has are applied against their legal costs of \$20,306.98. The committee discussed this and DEM acknowledged that these were reasonable legal fees for this type of project. Mr. Perry moved approval with a second by Ms. Swallow. Mr. Schock noted that the Finance Committee had reviewed this thoroughly and recommended approval.

Mr. Stamp asked the question regarding the fact that if this land was not legally owned by any legal entity, why did it not go for tax sale? Mr. Stamp stated that he simply did not understand the logic of purchasing such a small piece of land, which he believes is not buildable.

Vice Chairman Penn stated he would agree with Mr. Stamp as to the excessive administrative expense for such a small piece of property. As Mr. Schock noted, the Finance Committee, too, was concerned that more than half of this amount was attributable to administrative costs—legal bills. He continued that the Finance Committee had reviewed each invoice going back to February 2004 and the billing rate is \$150 an hour, which is a lot of time being spent on this project. Unfortunately, it was incurred by the Harrisville Fire District to acquire it and the cost of the parcel is insignificant compared to the administrative (legal) costs.

Mr. Schock noted that this was not a direct acquisition but rather a condemnation. With Mr. Stamp opposing, the motion carried.

- (2) Town of Jamestown – Watershed Protection Land Acquisition Project; Town of Jamestown Assessor's Plat 5, Lots 419, 421 and 422; Acreage 4 +/- Acres, Appraisal Value \$305,000.00, Purchase Price \$200,000.00 – Requested Amount Per Requisition # 1: \$32,890.00; Recommended payment: \$32,890.00. Request for approval

Mr. Perry explained that this was a land acquisition for the Town of Jamestown. This particular parcel is a remnant that was acquired by DOT when they were building Route 138. It could be developed, but they acquired an entire parcel. Per DOT regulations, they must sell it, and the Town is looking to buy it. It was valued at \$152,000 for one lot and \$153,000 for the other two lots. The purchase price is \$200,000 and the contribution from the water district would be \$32,890. This land is being acquired by the Town to protect the watershed in that area.

Mr. Perry made note of Mr. Stamp's concern regarding the question of why was the Town buying land from the State. Mr. Perry explained that this is a quirk of the State—a requirement with federal funding. The state must get fair value for the property when it relinquishes ownership because the federal government

must be reimbursed. Mr. Perry moved approval, with a second from Ms. Swallow. Mr. Shock noted the Finance Committee reviewed and approved payment. Mr. Penn noted that the amount of \$32,890 was Jamestown's full allocation of Phase III funding. This motion carried unanimously.

- (3) Stonebridge Fire District – Watershed Protection Land Conservation Easement Acquisition Project; Town of Tiverton Map 3-12, Block 113, Lot 47; Acreage 3 +/- Acres, Appraisal Value \$160,000.00, Purchase Price \$65,000.00 – Requested Amount Per Requisition # 1: \$65,000.00; Recommended payment: \$65,000.00. Request for approval

Mr. Perry explained that this was an acquisition of a conservation easement on a parcel of land that is on Stafford Pond. It is part of a larger parcel which the fire district has negotiated acquiring this parcel which would be suitable for a single family dwelling on the water. It is part of the district's program to control water usage around the pond, which is a sole source water supply at this time. The committee reviewed and notes that the purchase price is significantly below market value and Mr. Perry moved approval. Ms. Swallow seconded and Mr. Schock noted that the Finance Committee also recommended approval. Mr. Penn added that the difference between the appraised value and the purchase price is available to the seller as a tax deduction to the Town.

Mr. Stamp asked who owns the land. It was explained that the fee simple would still be owned by the property owner, and it would be the conservation easement that would be owned by Stone Bridge. However, the difference between the value of the conservation easement and the purchase price is available to the seller as a tax deduction.

The motion carried with Mr. Stamp opposing.

- (4) Kent County Water Authority Requisition # 2 – Water Quality Improvement Projects – Coloration Study and Manganese Sequestering Study; -. Requested payment: \$55,685.59; Recommended payment: \$55,685.59. Request for approval

As both Msrs. Brown and Perry recused themselves, Mr. Schock explained that while he could not speak to what transpired in the Public Drinking Water Protection Committee, at the Finance Committee this request had been addressed. This was a request to requisition a study for manganese within one of KCWA's supply wells. This falls within the 15 percent water quality projects rule for Phase III. The Finance Committee reviewed and recommended approval. Mr. Schock moved approval with a second by Ms. Swallow. Ms. Swallow added that she could speak to what happened at the Public Drinking Water Protection Committee and that the PDWP Committee had also recommended approval.

Mr. Stamp noted his belief that these costs should be allocated back to the supplier and reflected in the rates charged to the consumers.

Mr. Penn explained that the costs are allocated back to the supplier and the supplier's customers are paying the surcharge which is repaying the bond which is giving us the capital. Ms. Swallow noted that the surcharge is pro-rated back to the suppliers.

Mr. Mariscal explained the requirements of requesting a rule of necessity exception before voting on this matter.

Ms. Swallow moved tabling of this issue until the Board had a ruling from the Ethics Commission; Mr. Stamp seconded.

B. Eligibility requests:

- (1) Kent County Water Authority—Water Quality Improvement Projects: Water System Cleaning and Lining Project (Design Phase); Redevelopment and Rehabilitation of a Well Facility (Construction Phase). Request for Eligibility Approval

Ms. Swallow moved tabling this issue until the next Board meeting, with a second from Mr. Schock.

- (2) Pascoag Utility District—Water Quality Improvement Project: Security Fencing per Vulnerability Assessment Plan. Request for Eligibility Approval

Mr. Perry explained that this was a request by Pascoag Utility District for eligibility approval. This is security fencing as identified in their security assessment for their water storage tank on Rock Avenue and South Main Street in Pascoag. Their vulnerability assessment indicated that lack of security fencing was a deficiency.

Mr. Perry explained that the committee reviewed and approved eligibility, and he moved approval with a second by Ms. Swallow. The motion carried unanimously.

5. NEW BUSINESS - None

6. OTHER BUSINESS - None

7. ADJOURNMENT

On a motion by Mr. Stamp, seconded by Ms. Swallow, the Board unanimously voted to adjourn at 12:50 p.m.

Respectfully submitted,

Tracy Shields
Personnel Aide

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